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TO: Mr. Samuel Hoskinson  
National Security Council  
Phone:

STATINTL

FROM:   
Central Intelligence Agency

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Sam:

Per our conversation Friday, this is the paper I sent to Gary Hymel,  
in the Speaker's office.

A. Objectives

- Simplify oversight arrangements
  - Concentrate general oversight in absolute minimum number of committees (legislation, budget, organization, functions, activities, abuses)
- Improve security and reduce proliferation of sensitive matters
  - House Rule XI (access to records and meetings)
  - Hughes/Ryan (covert action)
  - Tighten rules and procedures against disclosure
  - Limitation on staff access
- Assure retention of congressional capability for exposure of wrongdoing
- Provide Congress with the product of foreign intelligence

B. Proposal

- Simplify oversight arrangements in the House by establishing exclusive jurisdiction in the House Permanent Select Committee of all operational activities of CIA and sensitive sources and methods.
- Recognize the budgetary, efficiency and economy roles of the Appropriations Committees
- Modify House Rule XI, limit staff access to sensitive matters, and tighten rules and procedures against disclosures
- Formalize arrangements for Budget Committees to receive at the maximum only information relating to major functional categories, without sensitive details

- Reduce the number of members who receive reporting under the Hughes/Ryan amendment
  - By rider to legislation, limit reporting only to Senate and House Select Committees (designees on these committees would represent the foreign relations Committees) and to the Senate and House Appropriations Subcommittees (the turf of these committees must be preserved because of their role in Reserve Releases and expenditure of funds), thus reducing covert action reporting to 4 Committees.

1. The United States must have a fully effective intelligence program in keeping with our national security interests.
2. At the same time, the correctness and legality of that program must be assured as well as correct dissemination and control of intelligence in the Executive, and appropriate accountability to the Congress.
3. Congress has a number of legitimate interests in foreign intelligence -- the efficiency and effectiveness of its management, the extent of its clandestine activities, its legislative charter, and the substantive intelligence information it produces. These congressional interests must be satisfied but in a manner which protects those secrets which are vital to our Nation.
4. In the 1947 National Security Act and the 1949 Central Intelligence Agency Act, Congress proclaimed that certain foreign intelligence sources and methods must be protected. Otherwise, sources will dry up and we will be denied information. (People would be jeopardized. Some of the technical collection systems which could be countermeasured would be either irreplaceable or replaceable at the cost of hundreds of millions of dollars.)
5. Intelligence secrets are fundamentally different from many other secrets. The damage of disclosure is not limited to revelation of a particular piece of information, but extends to the continuing capability to collect such information. (Awareness of our military capabilities might deter others, but revelation of our collection capabilities would seldom, if ever, serve our interest.)
6. The oversight structure should be a further projection of our country's will and ability to protect sensitive operational details.

--The past period of investigations and disclosures have eroded our credibility to protect sources. This is a very serious problem where the anonymity of association is a condition precedent to cooperation.

--The fact that foreign intelligence activities are not within the scope of parliamentary inquiry in many other countries also shapes the perspective of those foreigners who cooperate with us with the understanding that their identity will be protected.

7. First choice would be a single Joint Committee. Features of such a committee would enhance the projection of our credibility for protecting sensitive operational sources.

--Exclusive jurisdiction for legislation and related oversight.

--Exclusive authority to investigate intelligence activities.

--Exclusive recipient in the Congress of sensitive operational details, including covert action reporting.

--Sensitive information provided to the Committee would not be available to non-Members.

--Strict rules for the secure handling of information within the Committee, and security clearances and security agreements with Committee staff personnel paralleling what has been established by the Senate Select Committee on Intelligence.

--Express representation on the committee(s) of Members from International Relations, Appropriations, and Armed Services.

--Provisions for periodic rotation of membership.

8. Committee membership should serve as the surrogates for the legitimate interests of other committees and for a fairly broad political perspective within the Congress.

9. The Appropriations Committees of both Houses would still be required to appropriate money from the Treasury to support intelligence activities. To the extent that this is necessary, rules such as House Rule XI should be modified to limit access to the sensitive information provided to justify the budget solely to the Members and staff of the Appropriations Subcommittees involved.

10. Abuses - The Committee should be:

- Required to investigate any complaint it receives from any Member or committee and to
- Make the record of its findings available to the appropriate leadership of the Congress.

This procedure would help assure the complaining Member or Committee that appropriate action has been taken without requiring in the process either disclosure or confirmation of sensitive operational details outside of the committee or the leadership.

11. Legislation - When legislation which may inadvertently impair sensitive lawful intelligence activities is considered by another committee, the Joint Committee should be used as the conduit for understanding the problem and seeking an appropriate remedy with the other committee by using the investigative and fact-finding resources of the Joint Committee to assure that the problem is real and the remedy sound but avoiding revelation of sensitive details. Again, the record could be made available to appropriate leadership outside the committee, but the sensitive details would be preserved from unnecessary disclosure or confirmation.

12. Finally, we must come to some sort of basic agreement on how foreign intelligence secrets are to be treated:

- (a) First, there should be a presumption against requesting any names of sources, the specific details of technical collection devices and systems maintained in compartmented channels, names of employees in sensitive positions, names of persons who may be targets of kidnappings or assassinations by foreign intelligence organizations, names of organizations cooperating with the CIA and detailed information which could pinpoint any of the above.
- (b) If in unique cases such information is necessary, procedures should be instituted to protect identities and details by use of identity numbers.
- (c) There should be majority agreement within the committees that such information should be requested.
- (d) There should be absolutely no access to this sensitive material by non-Members of the committee or personal staff of committee Members.

- (e) Access to sensitive briefings and materials should be governed by uniform rules and the number of congressional staffers exposed to such information should be reduced to the absolute minimum necessary.
- (f) The need-to-know principle is as important to apply to the Congress as it is within the Executive. We need congressional support for the concept that only committee staffers with a defined need-to-know may sit in on committee briefings where sensitive material is covered or have access to material after the fact.
- (g) There should be a security investigation of committee staff members and they should execute a secrecy agreement with attention to its enforcement including the possibility of injunction, appropriate criminal sanctions and termination of employment.
- (h) The highest standards of physical security and control of classified information should be established.
- (i) All hearings involving classified information should be in executive session with appropriate arrangements for assuring that only authorized personnel are in attendance and that an appropriate technical sweep and monitoring throughout is conducted against any eavesdropping devices.
- (j) Transcripts should only be taken by reporters with appropriate security clearance and the stenotapes and transcripts should never leave the physical control of an authorized employee of either the Intelligence Community or the congressional committee.
- (k) There should be consultation with the Intelligence Community on the sanitization of information to be published.
- (l) There should be a mutual agreement on the secure disposition or storage of sensitive information after it has served its purpose.